

Message Text

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ORIGIN EB-08

INFO OCT-01 EUR-12 EA-12 IO-14 ISO-00 FEA-01 AGRE-00
CEA-01 CIAE-00 COME-00 DODE-00 FRB-01 H-02 INR-07
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-02 AID-05
SS-15 STR-05 ITC-01 TRSE-00 USIA-15 PRS-01 SP-02
OMB-01 OPIC-06 /129 R

DRAFTED BY EB/OT/STA:C H BLUM:CMS
APPROVED BY EB/OT/STA:J S SPIRO
TREAS - L POTTS
- S ECTON
EA/EP - M HENDERSON
EUR/RPE - R LAMANTIA
EB/ISM - M DEWITT

-----048564 050300Z /63

R 042113Z OCT 77
FM SECSTATE WASHDC
TO AMEMBASSY TOKYO
INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY DUBLIN
USMISSION GENEVA
AMEMBASSY THE HAGUE
AMEMBASSY LONDON
AMEMBASSY LUXEMBOURG
AMEMBASSY PARIS
AMEMBASSY ROME

UNCLAS STATE 239003

ALSO FOR USOECD, USEEC, USDEL MTN

E.O. 11652:N/A

TAGS: ETRD, JA
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SUBJECT:ANTI-DUMPING: U.S. STEEL PETITION AGAINST JAPANESE
STEEL PRODUCTS

REF: STATE 226450

1. THIS CABLE PROVIDES ADDITIONAL DETAILS ON ANTI-DUMPING

PETITION FILED SEPTEMBER 20 BY U.S. STEEL CORPORATION AGAINST SIX LARGEST JAPANESE STEEL PRODUCERS (NIPPON, NIPPON KOKAN, KAWASAKI, SUMITOMO, KOBE AND NISSHIN) AND SEVERAL SMALL COMPANIES (REF A). PETITION, A COPY OF WHICH IS BEING POUCHED, ALLEGES JAPANESE HAVE SOLD IN U.S. FIVE PRODUCTS AT LESS THAN FAIR VALUE. U.S. IMPORTS OF SUBJECT MERCHANDISE FROM JAPAN WERE VALUED AT APPROXIMATELY 2.2 BILLION DOLLARS IN CY '76. PRODUCTS AND THEIR TSUS NUMBERS ARE:

STRUCTURAL SHAPES	60 .80
PLATES, STRUCTURAL GRADE	608.84, 608.87, 608.94, 608.95
COLD ROLLED SHEET	608.87
GALVANIZED SHEET	608.94, 608.95
WELDED STANDARD SHEET	610.32

2. PETITION CONTAINS TWO COUNTS AND REQUESTS THAT TREASURY ACT ON WHICHEVER COUNT WOULD PRODUCE GREATER DUMPING MARGINS. COUNT I USES THE TRADITIONAL DUMPING CONCEPT, ALLEGING THAT THE CITED PRODUCTS WERE SOLD IN THE U.S. AT LESS THAN HOME MARKET PRICES. COUNT II UTILIZES THE COST OF PRODUCTION PROVISIONS OF THE ANTI-DUMPING ACT, ALLEGING THAT SINCE JAPANESE HOME MARKET SALES HAVE BEEN CONSISTENTLY BELOW COST, THEY SHOULD NOT BE USED AS A BASIS FOR ESTABLISHING FAIR VALUE. INSTEAD U.S. STEEL CALCULATED A CONSTRUCTED VALUE, INCLUDING THE EIGHT UNCLASSIFIED

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PERCENT STATUTORY MINIMUM PROFIT, ON THE BASIS OF FINANCIAL STATEMENTS SUBMITTED BY THE SIX LARGEST COMPANIES TO THE JAPANESE SECURITIES AND EXCHANGE COMMISSION.

3. U.S. STEEL FIGURES JAPANESE COST OF PRODUCTION FOR ALL CARBON STEEL TO BE 270.00 DOLLARS PER NET TON. THE PETITION DEVELOPES THE FOLLOWING PRICE AND CONSTRUCTED VALUE INFORMATION:

PRICE (DOLLARS)

PRODUCT	CONSTRUCTED		
	DOMESTIC	EXPORT	VALUE (DOLLARS)
SHAPES	175-211	166-191	210-252
PLATE	197-204	170-178	236-245
C-R SHEET	244	212-213	293
GAL. SHEET	306	252	371
PIPE	245-249	215-217	296-300

ON THE BASIS OF THE ABOVE INFORMATION, U.S. STEEL CALCULATES AVERAGE DUMPING MARGINS FOR THE SIX COMPANIES

IN SEPTEMBER, 1976 (THE ONLY MONTH FOR WHICH DETAILED
DOCUMENTATION WAS PRESENTED) TO BE:

DUMPING MARGINS (PERCENT)

PRODUCT	COUNT I	COUNT II
SHAPES	5.3 - 10.5	26.3 - 32.5
PLATE	14.3 - 15.8	37.4 - 39.3
C-R SHEET	14.7 - 14.9	37.7 - 38.1
GAL. SHEET	21.5	47.1
PIPE	14.3 - 14.9	37.5 - 38.4

4. TREASURY MUST DECIDE ON OR BEFORE OCTOBER 20, WHETHER
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THERE IS SUFFICIENT EVIDENCE OF INJURIOUS SALES AT LES
THAN FAIR VALUE TO WARRANT A FULL-SCALE INVESTIGATION. CHRISTOPHER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: STEEL, EXPORTS, ANTIDUMPING LAW (TRADE)
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Oct-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE239003
Document Source: CORE
Document Unique ID: 00
Drafter: C H BLUM:CMS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770362-0734
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771095/aaaadcsn.tel
Line Count: 138
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Litigation Codes:
Litigation History:
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Message ID: cffd6e37-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 STATE 226450
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 12-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1038117
Secure: OPEN
Status: NATIVE
Subject: ANTI-DUMPING: U.S. STEEL PETITION AGAINST JAPANESE STEEL PRODUCTS
TAGS: ETRD, JA
To: TOKYO
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/cffd6e37-c288-dd11-92da-001cc4696bcc
Review Markings:
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